

105TH CONGRESS  
2D SESSION

# H. R. 3748

To amend the Federal Election Campaign Act of 1971 to authorize appropriations for the Federal Election Commission for fiscal year 1999, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1998

Mr. THOMAS introduced the following bill; which was referred to the  
Committee on House Oversight

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## A BILL

To amend the Federal Election Campaign Act of 1971 to authorize appropriations for the Federal Election Commission for fiscal year 1999, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “FEC Reauthorization  
5       Act of 1998”.

1 **SEC. 2. AUTHORIZATION OF APPROPRIATIONS FOR FED-**  
2 **ERAL ELECTION COMMISSION FOR FISCAL**  
3 **YEAR 1999.**

4 Section 314 of the Federal Election Campaign Act  
5 of 1971 (2 U.S.C. 439c) is amended—

6 (1) by striking “and \$9,400,000” and inserting  
7 “\$9,400,000”; and

8 (2) by striking the period at the end and insert-  
9 ing the following: “, and \$33,700,000 for the fiscal  
10 year ending September 30, 1999, of which  
11 \$2,800,000 shall be available only if at least 4 mem-  
12 bers of the Commission vote not later than Septem-  
13 ber 30, 1998, to adopt a re-prioritization plan for  
14 the purpose of improving enforcement procedures  
15 and preventing the unnecessary dismissal of appro-  
16 priate enforcement actions.”.

17 **SEC. 3. APPOINTMENT AND SERVICE OF STAFF DIRECTOR**  
18 **AND GENERAL COUNSEL OF COMMISSION.**

19 (a) APPOINTMENT; LENGTH OF TERM OF SERV-  
20 ICE.—

21 (1) IN GENERAL.—The first sentence of section  
22 306(f)(1) of the Federal Election Campaign Act of  
23 1971 (2 U.S.C. 437c(f)(1)) is amended by striking  
24 “by the Commission” and inserting the following:  
25 “by an affirmative vote of not less than 4 members  
26 of the Commission and may not serve for a term of

1 more than 4 consecutive years without reappoint-  
2 ment in accordance with this paragraph”.

3 (2) EFFECTIVE DATE.—The amendment made  
4 by paragraph (1) shall apply with respect to any in-  
5 dividual serving as the staff director or general  
6 counsel of the Federal Election Commission on or  
7 after January 1, 1999, without regard to whether or  
8 not the individual served as staff director or general  
9 counsel prior to such date.

10 (b) TREATMENT OF INDIVIDUALS FILLING VACAN-  
11 CIES; TERMINATION OF AUTHORITY UPON EXPIRATION  
12 OF TERM.—Section 306(f)(1) of such Act (2 U.S.C.  
13 437c(f)(1)) is amended by inserting after the first sen-  
14 tence the following new sentences: “An individual ap-  
15 pointed as a staff director or general counsel to fill a va-  
16 cancy occurring other than by the expiration of a term  
17 of office shall be appointed only for the unexpired term  
18 of the individual he or she succeeds. An individual serving  
19 as staff director or general counsel may not serve in any  
20 capacity on behalf of the Commission after the expiration  
21 of the individual’s term unless reappointed in accordance  
22 with this paragraph.”.

1 **SEC. 4. ALTERNATIVE PROCEDURES FOR IMPOSITION OF**  
2 **PENALTIES FOR REPORTING VIOLATIONS.**

3 (a) IN GENERAL.—Section 309(a)(4) of the Federal  
4 Election Campaign Act of 1971 (2 U.S.C. 437g(a)(4)) is  
5 amended—

6 (1) in subparagraph (A)(i), by striking “clause  
7 (ii)” and inserting “clauses (ii) and subparagraph  
8 (C)”; and

9 (2) by adding at the end the following new sub-  
10 paragraph:

11 “(C)(i) Notwithstanding subparagraph (A), in the  
12 case of a violation of any requirement under this Act relat-  
13 ing to the reporting of receipts or disbursements, the Com-  
14 mission may—

15 “(I) find that a person committed such a viola-  
16 tion on the basis of information obtained pursuant  
17 to the procedures described in paragraphs (1) and  
18 (2); and

19 “(II) based on such finding, require the person  
20 to pay a civil money penalty in an amount deter-  
21 mined under a schedule of penalties which is estab-  
22 lished and published by the Commission and which  
23 takes into account the amount of the violation in-  
24 volved, the existence of previous violations by the  
25 person, and such other factors as the Commission  
26 considers appropriate.

1       “(ii) The Commission may not make any determina-  
2       tion adverse to a person under clause (i) until the person  
3       has been given written notice and an opportunity for the  
4       determination to be made on the record.

5       “(iii) Any person against whom an adverse deter-  
6       mination is made under this subparagraph may obtain a  
7       review of such determination in the district court of the  
8       United States for the district in which the person is found,  
9       resides, or transacts business, by filing in such court (prior  
10      to the expiration of the 30-day period which begins on the  
11      date the person receives notification of the determination)  
12      a written petition requesting that the determination be  
13      modified or set aside.”.

14       (b)       CONFORMING       AMENDMENT.—Section  
15      309(a)(6)(A) of such Act (2 U.S.C. 437g(a)(6)(A)) is  
16      amended by striking “paragraph (4)(A)” and inserting  
17      “paragraph (4)”.

18       (c) EFFECTIVE DATE.—The amendments made by  
19      this section shall apply with respect to violations occurring  
20      on or after January 1, 1999.

21      **SEC. 5. STANDARD FOR INITIATION OF ACTIONS BY FEC.**

22       (a) IN GENERAL.—Section 309(a)(2) of the Federal  
23      Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is  
24      amended to read as follows:

1       “(2) Not later than 90 days after the time for re-  
2       sponding to a complaint under paragraph (1) has elapsed  
3       for all respondents, the general counsel of the Commission  
4       shall provide a recommendation to the Commission re-  
5       garding whether there is sufficient or insufficient reason  
6       for the Commission to investigate any violation alleged in  
7       the complaint. If the Commission, upon receiving a com-  
8       plaint under paragraph (1) (or on the basis of information  
9       ascertained in the normal course of carrying out its super-  
10      visory responsibilities) determines by an affirmative vote  
11      of 4 of its members that it has a sufficient reason to inves-  
12      tigate whether a person has committed (or is about to  
13      commit) a violation of this Act or of chapter 95 or chapter  
14      96 of the Internal Revenue Code of 1986, the Commission  
15      (through its chair or vice chair) shall notify the person  
16      of the alleged violation, and shall set forth in such notifica-  
17      tion the factual and legal basis for such alleged violation.  
18      The Commission shall make an investigation of such al-  
19      leged violation, which may include a field investigation or  
20      audit, in accordance with the provisions of this section.”.

21       (b) EFFECTIVE DATE.—The amendment made by  
22      subsection (a) shall apply with respect to complaints filed  
23      on or after January 1, 1999.

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